

Office of Communications

703-248-5003 FAX 703-248-5146 publicinfo@fallschurchva.gov

FOR IMMEDIATE RELEASE Tuesday, Jan. 10, 2006

CONTACT: Nicole Gobbo 703-248-5210

City Council Preliminarily Approves Verizon Cable Franchise Agreement

FALLS CHURCH, VA. – The Falls Church City Council voted for preliminary approval of a Verizon Cable Franchise Agreement on first reading at their Monday, Jan. 9, 2006 regular meeting. The final vote will occur at the regular Council meeting on Monday, Jan. 23. If the agreement passes on final vote, the City will become one of the first localities in the nation to award a cable franchise to a traditional telephone company.

Pending final approval by Council, Verizon could offer video services to City consumers as early as March 2006. The service is the result of new technology that enables Verizon to transmit cable television through its fiber optic cables, providing customers with telephone, high-speed data, and cable television services through one company.

The City previously granted cable franchises to Cox Communications and RCN Corporation (formerly Starpower). As a result of the Verizon franchise agreement, cable television viewers in the City will benefit from additional choices and competition among these three cable service providers.

"Verizon is another very reputable service provider. The increased competition among telecommunication service providers should only enhance quality, improve service, and lower product costs available to our citizens," says City of Falls Church Mayor Daniel E. Gardner.

The franchise terms are similar to the existing agreements the City has in place with Cox Communications and RCN Corporation. The franchise terms are also similar to agreements that have been reached between Verizon and Fairfax County, Herndon, and the City of Fairfax.

"The Verizon franchise agreement further strengthens the City's business environment by creating additional fiber optic communications service options. While most cities are still trying to attract a single provider for fiber and bundled services, Falls Church City now has multiple providers whose competition in the marketplace will benefit both business and residential consumers alike," says City of Falls Church Economic Development Director Richard Goff.

The franchise terms provide for benefits to the City, including:

- Verizon will pay 5 percent of gross revenues in the City to the City's general fund, along with a \$100,000 initial franchise fee;
- Verizon will pay an additional fee of 3 percent of gross revenues to fund local access television operations to be split among the Schools, the Cable Access Board, and the City;
- Verizon will provide two additional public access channels for the City.

Additionally, Verizon will supply fiber connections between City municipal facilities located in the City and will rewire Thomas Jefferson Elementary with new fiber optic cable.

More information will be made available upon final passage of the agreement.

###

www.fallschurchva.gov